mittee have also referred to 6 other Central Excise cases relating to M/s. R.I.L.

Brief particulars of these seven Central Excise cases, and the action taken in respect of stay orders, their adjudication and realisation of duty amounts, are given in the Annexure. [*See* Appendix 170, annexure No. 108].

(c) and (d) Stay orders issued by the Bombay High Court in respect of cases at Serial Nos. 3, 4 and 7, mentioned in the Statement, were got vacated in February, 1993. As regards the stay granted by CEGAT against enforcement of the Collector's order dated 25-5-93, in the case at Serial No. 3 of the Statement, steps are being taken to move the CEGAT for early hearing.

(e) In view of (c) and (d) above, the question does not arise.

Duty on coated paper

*509. SHRI SARADA MOHANTY :
SHRI CHIMANBHAI MEHTA :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that duty on coated paper produced by independent coating units is 20 per cent;

(b) whether it is also a fact that duty on coated paper produced by paper mills having pulp, paper and coating units in the same premises central excise is paid @ 15 per cent and 10 per cent;

(c) whether it is a fact that independent coating units' finished products become costlier by 16 per cent to 26 per cent as they have to pay CST, octroi/freight, handling charges, intermediate commissions, etc., and

(d) whether it is a fact that in such a situation independent coating units cannot survive against mills having coating facilities in their premises and not paying intermediate taxes and charges ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Yes, Sir, Coated paper manufactured by large independent units attracts excise duty at 20% *ad valorem*. However, lower duty of Nil, 10% or 15% under the general SSI scheme is available to eligible independent manufacturers of coated paper.

(b) Coated paper manufactured by paper mills having pulp, paper and coating units in the same premises where the pulp is composed of conventional raw materials (hard wood, soft wood, certain reeds and used) attracts excise duty of 20% *ad valorem*. Concessional rates of excise duty of 5%, 10%, or 15% are also available to paper units using at least 50 per cent of unconventional raw materials depending, *inter alia*, on the per centage of unconventional raw material in the pulp used and/or quantum of clearances made in a financial year.

(c) and (d) The price of coated paper made by independent coating units depends upon a number of factors including excise duty, sales tax, handling charges, freight, etc. For a small coating unit with a turnover of Rs. 30 lakhs there would be no increase in price on account of excise duty as such units are exempted. Units with turnover upto Rs. 75 lakhs will have to pay excise duty at 10% or 15%, but they will be eligible for Modvat credit of duty paid on paper used by them. Larger units will have to pay duty at 20%. The cost of coated paper made by an integrated unit also depends on various factors like excise duty, sales tax, handling charges, freight, etc. Paper, like other finished goods, when cleared from a unit, attracts sales tax, octroi and other taxes and bears handling charges, freight, intermediate commission, etc. which vary depending, *inter alia*, on the policy of the state/local government, the location of the units concerned and the marketing pattern. Even for a units required to pay excise duty of 20% on coated paper, because of the input duty credit under Modvat which will now be available, it is not possible to specify as to what would be the extra burden on account of this excise duty. In view of all these variable factors, it is not possible to quantify the cost increase of the finished coated paper manufactured by independent units and paper mills and to indicate whether independent coating units will be suffering either an overall price disadvantage or will not be able to survive *vis-a-vis* paper mills making coated paper.

लघु बैंकों को खोला जाना

*510. श्री गोपाल सिंह जी सोलंकी : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार ने सीमित शाखाओं और सीमित कार्यक्षेत्र वाले लघु बैंकों के खोले जाने को प्रोत्साहित करने की संभावनाओं का पता लगाया है,

(ख) यदि हां, तो तत्संबंधी ब्यौरा क्या है, और

(ग) ग्रामीण क्षेत्रों में लघु बैंक खोले जाने के लिए क्या कदम उठाए जा रहे हैं ?

वित्त मंत्रालय में राज्य मंत्री (श्री एम० वीo चन्द्रशेखर मूर्ति) : (क) से (ग) बैंककारी विनियमन अधिनियम, 1949 की धारा 22 के अनुसार निर्धारित शर्तों को पूरा करने के अध्यधीन, भारतीय रिजर्व बैंक गैर-सरकारी क्षेत्र के बैंक स्थापित करने की अनुमति दे सकता है। वित्तीय प्रणाली से संबंधित समिति (नरसिंहम समिति) की सिफारिशों के आधार पर गैर-सरकारी क्षेत्र के बैंक स्थापित करने की नीति की समीक्षा की गई है। समिति ने सिफारिश की है कि गैर-सरकारी क्षेत्र के नए बैंकों के प्रवेश की अनुमति दी जानी चाहिए बशर्ते कि वे पूंजी पर्याप्तता से संबंधित मानदण्डों सहित सुस्पष्ट विवेकसम्मत मानदण्डों को पूरा करने में सक्षम हों। सरकार ने यह सिफारिश स्वीकार कर ली है और उसने यह निर्णय लिया है कि सरकारी क्षेत्र के नए बैंकों को वित्तीय क्षेत्र में प्रवेश की अनुमति दी जाएगी बशर्ते कि वे विस्तृत और सुस्पष्ट विवेकसम्मत अपेक्षाओं को पूरा करते हों। भारतीय रिजर्व बैंक ने इस संबंध में 22.1.1993 को विस्तृत मार्गनिर्देश जारी किए हैं। इन मार्गनिर्देशों में प्रतिस्पर्धात्मक और सक्षम सेवा प्रदान करने के लिए बैंकों की अर्थक्षमता और सामर्थ्य के महत्व पर बल देने के साथ-साथ यह निर्धारित किया गया है कि वे अन्य घरेलू बैंकों पर लागू प्राथमिकता क्षेत्र को ऋण देने के लक्ष्यों को प्राप्त करें। गैर-सरकारी क्षेत्र के नए बैंकों से यह भी अपेक्षित होगा कि वे ग्रामीण क्षेत्रों में शाखाएं खोलें।

Investigations on Dawood Ibrahim Gang in shares transfer racket

*511. SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE:
SHRI RAJNI RANJAN SAHU:

Will the Minister of FINANCE be pleased to state:

(a) whether investigations have confirmed involvement of Dawood Ibrahim gang in the multi-crore fradulent shares transfer racket, and also in the recent securities scam, as reported in the Times of India of 4th April, 1994;

(b) if so, what are the details of the revelations; and

(c) Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKKAR MURTHY) : (a) No, Sir. The Bombay Police have indicated that there is yet no *prima facie* involvement of the Dawood Ibrahim gang in the share transfer racket.

(b) and (c) Do not arise.

Excise duty imposed on Small Scale Industries

*512. SHRI V. NARAYANASAMY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that some of the growing small scale industries in the country are suffering because of the excise duty imposed on them if they use a different brand name;

(b) whether such small scale industries submitted representation to the Ministry of Finance for giving concessions to them; and

(c) whether Government conducted any survey of the small scale industries that have closed down their units in large numbers because of the concessions withdrawn by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Small scale industries are not likely to be affected adversely due to changes made in the budget 1994-95 in the brand name provision under small scale excise duty exemption schemes. The changes have been made with a view to prevent the misuse by bigger units and to allow a small unit to promote his own brand.

(b) Representations have been received for withdrawal of changes made, in the budget 1994-95 in the brand name provision in the small scale excise duty exemption schemes. Government have examined the representation received and have made following two changes in the brand name provision in the SSI schemes :—

(i) use of code number, drawing number and design number have been excluded from the definition of brand name; and

(ii) a small scale unit manufacturing component parts of a machinery, which are